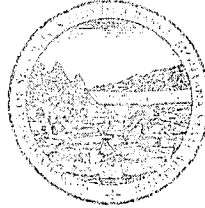


COMMISSIONER OF SECURITIES & INSURANCE 3-10-11

MONICA J. LINDEEN
COMMISSIONER



OFFICE OF THE MONTANA
STATE AUDITOR

ADVISORY MEMORANDUM

TO: ALL LICENSED PROPERTY AND CASUALTY INSURANCE CARRIERS
DOING BUSINESS IN MONTANA

FROM: MONICA J. LINDEEN - Commissioner of Securities and Insurance
Montana State Auditor [CSI]

DATE: AUGUST 11, 2010

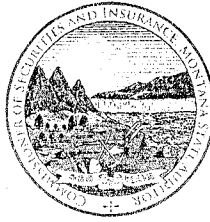
MONT. CODE ANN. § 33-18-224: DESIGNATION OF SPECIFIC AUTOMOBILE BODY
REPAIR BUSINESSES PROHIBITED

Requirements for automobile repair estimates and repairs are provided under Mont. Code Ann. § 33-18-224.

Any property and casualty carrier that issues or renews an automobile policy of insurance in Montana cannot require a claimant or insured to go to a particular repair shop, even for the initial estimate. The insurer or its representatives still have a right to have their own appraiser or adjuster inspect the vehicle for a repair estimate. However, the insured or claimant has the right to decide where to take the vehicle for the initial estimate and for subsequent repairs of that vehicle.

COMMISSIONER OF SECURITIES & INSURANCE

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30-14-225. Prohibited practices -- advertising, allowed -- violations. (1) A person engaged in the sale, repair, or replacement of automobile glass or in the business of automobile repair may not:

(a) advertise, promise to provide, or offer any coupon, credit, or rebate to pay all or part of an insurance deductible under a casualty or property insurance policy, including any incentive to purchase automobile glass or automobile repairs offered to the customer in which the customer, in conjunction with the purchase of automobile glass or automobile repairs, receives cash or other valuable consideration; or

(b) pay a sum or incentive to an individual or entity for directing glass replacement or repair or the purchase of a glass product.

(2) A person or association of persons engaged in the sale, repair, or replacement of automobile glass may advertise services as to quality, service, and safety.

(3) A glass broker, as defined in 33-18-223, may not manage, handle, or arrange automobile glass replacement or glass repair work for which the glass broker retains a percentage of the claim.

(4) (a) A violation of subsection (1)(a) is an unfair and deceptive act under 30-14-103.

(b) A person engaged in the sale, repair, or replacement of automobile glass or in the business of automobile repair who violates subsection (1)(a) is also subject to the insurance fraud protection provisions of Title 33, chapter 1, part 12.